

PETROLEUM TRADE HAS BANNER YEAR

Smashes All Records for Activity and Progress During Last Twelve Months.

PRICES HIT HIGH LEVELS.
Industry Creates Largest Volume of Business—Outlook for 1921 Excellent.

By J. W. SMALLWOOD.

Nineteen twenty was the petroleum industry's banner year. All records for activity and progress were broken and the industry enjoyed the largest volume of business in its history, with prices at their highest levels. Predictions regarding consumption of oil were exceeded and the principal consideration was to increase supply and extend facilities sufficiently to provide for unprecedented demand.

The American petroleum industry's requirements during the year amounted to 550,000,000 barrels of crude oil, probably near \$1,000,000,000 against 430,000,000 barrels of about \$500,000,000 tons in 1919. Production of crude oil in the United States in 1920 was about 445,000,000 barrels of more than \$1,200,000,000 estimated value in contrast to a production of 375,000,000 barrels valued at \$780,000,000 in 1919. Some idea of the industry's recent progress can be obtained by considering that production in 1914 was 265,000,000 barrels, valued at \$214,000,000 and in 1920, 650,000 barrels having a variation of 134,000,000 wells we imported from Mexico in 1920 more than 100,000,000 barrels, an increase of 100 per cent, compared with similar imports in 1919. Against this showing our exports of mineral oil were about 70,000,000 barrels.

Naturally with record business at favorable prices earnings of leading companies established a record during the year. Most big companies issue only annual financial statements, but the few reports made public show substantial increases in earnings compared with those of previous years.

WORLD INDUSTRY ACTIVE.

Every phase of the industry experienced great activity in the last twelve months. All records for operations were broken. About 36,000 wells were completed against 28,462 in 1919 and 24,945 in 1918. It is estimated that average cost for a completed well is \$2,000, which would bring the total cost of drilling in the past year to more than \$700,000,000. Refinery construction was extended greatly to care for increasing production and provide for expanding markets. At the end of October 522 refineries having almost 1,700,000 barrels daily capacity, an increase of forty-two refineries and 350,000 barrels daily capacity, compared with 500,000 tons, showing a wide expansion, probably contrary to the general impression, exports of oil in 1920 established a new high, surpassing even record shipments during the war. The volume of oil exports for 1920 exceeded \$500,000,000, a 100 per cent. increase compared with that of 1917.

Leading oil interests are unanimous in opinion that the volume of business in 1921 should increase and that they only limit to consumption will be production. The record of 1920, although it may be somewhat affected by the financial conditions, reaching the culminating point for 1920 in the early part of December.

LEAD AND ZINC OUTPUT GROWS.

Geological Survey Reports Large Increase in 1920 Over 1919.

WASHINGTON, Jan. 2.—The mine output of lead and zinc and the refinery output of lead in the United States increased greatly in 1920, the Geological Survey announced to-night. The output of lead was 613,000 tons, an increase of 100,000 over 1919. Although no general increase, exports of oil in 1920 established a new high, surpassing even record shipments during the war. The volume of oil exports for 1920 exceeded \$500,000,000, a 100 per cent. increase compared with that of 1917.

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BUSINESS FAILURES IN 1920.

Preliminary Returns to R. M. Den & Co. Disclose 5,831 Commercial Failures in the United States during 1920, against 4,651 in 1919, when business mortality was exceptionally moderate. The liability of 1920 reflect a sharp increase.

The \$287,772,471 shown in the incomplete statistics contrast sharply with slightly more than \$113,000,000 in 1919. Although fewer insolvencies occurred in the first half of 1920 than occurred in the corresponding period of 1919, the indebtedness was apparently larger.

The number of failures and the liabilities were augmented heavily in the last two quarters of 1920.

FAILURES BY QUARTERS FOR TWO YEARS.

Jan. 1919. Jan. 1920.

No. Liabilities, No. Liabilities.

First 627 829,701,469 1,054 \$55,821,022

Second 1,225 57,041,577 5,508 \$22,831

Third 1,588 5,588 1,588 \$1,588

Fourth 5,148 24,249,000 2,000 2,000

\$831,897,772,471 8,451 \$103,295,257

N. Y. BANK CLEARINGS GAIN.

New York bank clearings in 1920 were \$423,155,613,368, a new high record.

Last year they were \$255,862,634,857.

BONDS IN NEW YORK STOCK EXCHANGE

WEEK ENDED DECEMBER 31, 1920.

Sales for week: \$164,028,000 \$130,228,000 \$105,437,000 January 1 to date: \$4,732,183,000 \$3,361,729,000 \$2,165,248,509.

1920. 1919. 1918. 1920. 1919. 1918.

High. Low. Close. Net. High. Low. Close. Net.

Sales. Sales. est. est. ing. Chg. High. Low.

12096 Liberty 5% reg. 60.00 59.42 60.00 +1.00 100.40 98.40 97.80 98.99

314 Liberty 5% reg. 90.83 89.69 90.80 +.93 97.80 97.80 97.80 97.80

15 Liberty 10 4s reg. 55.90 54.70 55.00 +.45 95.48 95.93

5 Liberty 24 4s reg. 84.50 84.10 84.78 +.12 94.42 94.40

1887 Liberty 10 4s reg. 84.10 83.90 84.10 +1.26 88.80 88.80 88.80 88.80

1887 Liberty 10 4s reg. 85.20 85.00 85.20 +1.00 89.80 89.80 89.80 89.80

20 Liberty 10 4s reg. 85.50 85.30 85.50 +1.50 101.10 100.50

5252 Liberty 10 4s reg. 85.22 84.90 85.10 +1.00 92.80 91.80 91.80

13 Liberty 24 4s reg. 55.00 54.00 55.00 +.96 88.44 88.20 88.20

1449 Liberty 5 1/2 reg. 87.08 * 85.00 * 87.98 +.78 94.98 95.05

1494 Liberty 3 1/2 reg. 87.34 * 87.10 * 87.34 +.80 96.00 96.10 96.10

3436 Liberty 4 1/2 reg. 85.00 84.50 85.00 +.50 89.20 89.20 89.20

1490 Victory 4 1/2 reg. 66.14 64.88 66.00 +1.00 99.40 99.40

142 Victory 4 1/2 reg. 65.70 64.00 65.70 +.70 96.40 96.40

10427 Victory 3 1/2 reg. 67.00 * 6.96 16.00 +1.00 99.40 99.40

1920. 1919. 1918. 1920. 1919. 1918.

High. Low. Close. Net. High. Low. Close. Net.

Sales. Sales. est. est. ing. Chg. High. Low.

31 General Electric de. 99.74 99.74 99.74 +1 100.74 98.54

2 Georgia Pacific Int. 96.96 96.96 96.96 +1 100.74 98.54

5 Grand Trunk W. C. 98.50 98.50 98.50 +1 101.44 99.54

5 Great Northern 5 1/2 reg. 97.75 97.75 97.75 +.35 98.50 98.50

1 Harlow & Portcharders. 63.63 63.63 63.63 +1 63.63 62.35

11 Havasu El. & Gas Co. 65.00 64.00 64.00 +1 64.00 64.00

11 Hocking Valley 1 1/2 reg. 68.00 67.00 68.00 +1 77.74 76.00

11 Houston & Texas Cen. 88.15 87.00 88.15 +1 97.74 94.54

11 Illinois Central 4 1/2 reg. 69.50 68.50 69.50 +1 72.00 70.50

112 Mid. & Man. Ind. sec A. 69.50 68.50 69.50 +1 72.00 70.50

112 Mid. & Man. Ind. sec B. 69.50 68.50 69.50 +1 72.00 70.50

112 Illinois Central 4 1/2 reg. 71.74 70.50 71.74 +2.24 74.74 62.50

112 Illinois Central 4 1/2 reg. 65.00 64.00 65.00 +1 72.00 70.50

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